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PAGE 001

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E.O. 12356: DECL: OADR
 TAGS: OVIP, MARR, PREL, US, GE
 SUBJECT: UNDER SECRETARY SCHNEIDER'S FEBRUARY 13
 MEETING WITH FRG DEFENSE MINISTRY STATE SECRETARY
 DR. MANFRED TIMMERMANN

1. SUMMARY: DURING BRIEF MEETING, TIMMERMANN AND UNDER SECRETARY SCHNEIDER DISCUSSED ARMS COOPERATION, TECHNOLOGY TRANSFER, AND SDI RESEARCH. SCHNEIDER SAID HE WAS PLEASED BY JUST-CONCLUDED DISCUSSIONS HE HAD ATTENDED AT COCOM AND WEHRKUNDE. TIMMERMANN WAS ACCOMPANIED ON HIS FIRST U.S. TRIP BY CDU BUNDESTAG DEPUTY WIMMER. ON THE U.S. SIDE, EUR/CE OFFICER WOLFSON ATTENDED. TIMMERMANN LEFT TOWN AFTER THE MEETING TO VISIT BOSTON AND TEXAS FOR MEETINGS WITH RAYTHEON, TEXAS INSTRUMENTS, AND MCC IN AUSTIN. END SUMMARY.

2. SCHNEIDER SAID HE HAD JUST SPOKEN WITH ASSISTANT SECRETARY OF THE NAVY PAISLEY, WHO BELIEVED THAT AN AGREEMENT WAS POSSIBLE ON THE RAM PROGRAM. SCHNEIDER SAID HE THOUGHT WE HAD GAINED VALUABLE, TRANSFERABLE EXPERIENCE ON THE ROLAND-PATRIOT PROGRAM, WHICH WOULD BE USEFUL FOR FUTURE COOPERATIVE ARMS PROJECTS. ARMY UNDER SECRETARY AMBROSE HAD TAKEN PERSONAL CHARGE OF

THE TANK-TRACK PROGRAM, WHICH SCHNEIDER THOUGHT WAS A FAVORABLE DEVELOPMENT. MANAGEMENT ON THE U.S. SIDE WAS IN GOOD HANDS AT DOD, AND THE STATE DEPARTMENT WOULD CONTINUE TO TAKE AN INTEREST IN THE MATTER. SCHNEIDER SAID HE THOUGHT THE GERMAN PRODUCT WAS A GOOD ONE. SCHNEIDER ADDED THAT WE WERE EXAMINING THE POSSIBILITY OF RUNNING A SPECIAL PROCUREMENT PROGRAM, WITH SOME EVENTUAL PRE-POSITIONING; THERE WERE UNITS IN NORWAY AND KOREA, FOR EXAMPLE, WHICH COULD BENEFIT FROM SUCH A PROGRAM.

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CONFIDENTIAL

85 6517078 SCP

PAGE 002
TOR: 210514Z FEB 85

NC 6517078

3. TIMMERMAN ASKED WHETHER THERE WERE TECHNOLOGY TRANSFER PROBLEMS IN THE RAM PROGRAM. SCHNEIDER SAID HE DIDN'T THINK SO; HE PERSONALLY WAS MORE CONCERNED ABOUT THE FOREIGN MILITARY SALES ASPECTS. BUT TECHNOLOGY TRANSFER WAS DEFINITELY GOING TO BE A FACTOR IN FUTURE SUCH PROJECTS.

4. SCHNEIDER CONTINUED THAT THE JUST-CONCLUDED COCOM MEETING IN PARIS HAD BEEN A GOOD ONE. WE WERE PROGRESSING ON RESOLVING OUTSTANDING CO-PRODUCTION PROBLEMS, AND WE WERE TAKING STEPS TO PROTECT OUR TECHNOLOGY. THE ATMOSPHERE HAD BEEN TEN TIMES BETTER THAN THAT OF TWO OR THREE YEARS AGO.

5. TIMMERMAN RAISED THE JACK ANDERSON PIECE IN THE "WASHINGTON POST," WHICH CITED A PURPORTED CIA STUDY IDENTIFYING THE FRG AS A POINT OF SEVERE LEAKAGE TO THE EAST OF SENSITIVE TECHNOLOGY. SCHNEIDER REPLIED THAT WE WOULD BE SUPPLYING MATERIAL TO THE FRG EMBASSY TO CORRECT ANDERSON'S "MISREPRESENTATIONS."

6. SCHNEIDER REMARKED THAT THE BASIC PROBLEM WAS TARGETTING BY SOVIET INTELLIGENCE SERVICES OF GERMAN INDUSTRY, WHICH HAD PRODUCED SOME SUCCESSES. THERE WAS NOW AGREEMENT IN COCOM ON INCREASED ENFORCEMENT COOPERATION. SCHNEIDER SAID HE HAD TOLD FRG ECONOMICS MINISTRY STATE SECRETARY VON WUERZEN RECENTLY THAT THE U.S. HAD NOT MADE ANY ACCUSATION ON ENFORCEMENT GROUNDS AGAINST THE FRG OR ANY OTHER ALLY.

7. IN ANSWER TO A QUESTION FROM TIMMERMAN ABOUT OTHER IDEAS FOR PROJECTS WHICH WOULD COME UNDER THE HEADING OF THE "TOWAY STREET," SCHNEIDER POINTED OUT THAT THE STRATEGIC DEFENSE INITIATIVE, WHICH HAD BEEN ONE OF THE WEHRKUNDE CONFERENCE'S MAIN TOPICS, REPRESENTED ONE OF THE BIGGEST MILITARY R AND D PROJECTS EVER MOUNTED. RESEARCH WOULD BE AT STATE-OF-THE-ART IN MANY FIELDS. THE TECHNOLOGY WAS NOT IN THE DOMAIN OF ANY ONE

COUNTRY. WHAT WE WANTED TO DO WAS PROVIDE A FRAMEWORK FOR ALLIED R AND D PARTICIPATION. IN THIS REGARD, DUPLICATION OF RESEARCH WOULD BE GOOD, NOT BAD. SCHNEIDER SAID HE THOUGHT THE PROSPECTS FOR COOPERATION WERE GOOD, BUT THERE WERE MANY DETAILS THAT WOULD NEED TO BE WORKED OUT.

8. WIMMER ASKED WHETHER THE U.S. WAS MAKING A SPECIAL EFFORT TO INVITE THE ALLIES TO PARTICIPATE AND WHAT OUR TIMETABLE MIGHT BE. SCHNEIDER SAID THIS WAS NOW UNDER DISCUSSION, INCLUDING THE QUESTION OF WHETHER MEMORANDA OF UNDERSTANDING WOULD BE A SUITABLE DEVICE OR WHETHER U.S. COMPANIES SHOULD SEEK TEAMING AGREEMENTS WITH OTHER FIRMS. NO DECISIONS HAD YET BEEN MADE, HOWEVER. WE WOULD ALSO HAVE TO IDENTIFY WHERE AND TO WHAT EXTENT VARIOUS CAPABILITIES FOR PARTICIPATION EXISTED.

9. SCHNEIDER ADDED THAT THIS YEAR'S REQUEST TO CONGRESS FOR SDI FUNDING WAS DOLLARS 3.7 BILLION. ALTHOUGH, SCHNEIDER THOUGHT, THERE WOULD BE SOME REDUCTION, A LARGE SUM WOULD STILL BE INVESTED IN THE PROGRAM.

10. TIMMERMAN ASKED WHAT SCHNEIDER SAW AS THE NEXT CONCRETE STEP IN PREPARING FOR COOPERATIVE EFFORTS. SCHNEIDER SAID HE HAD FOUND A GOOD DEAL OF ENTHUSIASM AT WEHRKUNDE IN MUNICH. THE RESPONSIBLE AUTHORITIES IN DOD WERE MOVING AHEAD WITH THE PLANNING; IT WAS NOW THE U.S.' MOVE. ONE THING WE WANTED TO AVOID WAS ENDING UP WITH UNIQUE ARRANGEMENTS FOR EACH PARTICIPATING COUNTRY.

CONFIDENTIAL

CONFIDENTIAL

85 6517078 SCP

PAGE 003
TOR: 210514Z FEB 85

NC 6517078

11. WIMMER RAISED THE CONCERN OF MANY EUROPEANS THAT SDI, BY NEGLECTING TACTICAL DEFENSE, DID NOT PAY ENOUGH ATTENTION TO EUROPEAN SECURITY NEEDS. PERHAPS SUCH TACTICAL MISSILE DEFENSE COULD BE BUILT INTO THE SDI PROGRAM?

12. SCHNEIDER REPLIED THAT HE THOUGHT THIS WOULD BE POSSIBLE. SPACE-BASED SENSORS COULD BE DATA-LINKED TO ALLIED COUNTRIES FOR RAPID TRANSMISSION OF TRACKING INFORMATION. EACH COUNTRY, BASED ON ITS ARRANGEMENTS WITHIN THIS SYSTEM, COULD DECIDE FOR ITSELF WHETHER TO PROCURE THE NON-NUCLEAR INTERCEPTOR CAPABILITY TO COPE WITH ANY LIKELY THREAT. IN ANY CASE, WE WERE DETERMINED TO MAINTAIN U.S.-EUROPEAN STRATEGIC COUPLING. SHULTZ
END OF MESSAGE

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